GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:988
ANSWERED ON:24.11.2000
IMPORT OF CONSUMER GOODS
MANSINH PATEL

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have taken any decision to give permission for the import of selective consumer goods;

(b) if so, the reasons therefor;

(c) whether some terms and conditions have been fixed by the Government for the import of such goods:

(d) if so, the details thereof;

(e) the likely effect on the domestic production and small scale sector ; and

(f) the steps taken to protect the interests of domestic market?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH)

(a) and (b): India has been following a consistent policy for gradual removal of restrictions on imports since 1991. Tariff line- wise import policy was first announced on 31.3.1996. As on that date, import of 6161tariff lines (at 10 digit level) out of the total number of 10202 was free. Import restrictions on 488 tariff lines were removed during the period 1.4.96 to 31.3.97. Further 391 tariff lines (at 8 digit level) were freed during the period 1.4.97 to 13.4.98 and 894 tariff lines (at 8 digit level) were freed on 1.4.99. Import restrictions on 714 tariff lines were removed on 31.3.2000. Some of the items on which import restrictions have been removed are consumer goods.

Import restrictions have been removed in line with the economic liberalization policy being followed since 1991 and also in accordance with the country`s commitment to multilateral trading regime.

(c) to (f): However all imports in the country are subject to applicable rates of Customs duties and also subject to domestic laws, rules, orders, regulations, technical specifications, environmental and safety norms as applicable to domestically produced goods. This should provide adequate protection to the domestic industry.

Government is aware of the emerging scenario for the SSI Units and has taken several steps to help them become globally competitive. These include special focus on areas such as technology up-gradation, infrastructure assistance through the cluster approach, timely availability of credit, adoption of modern management practices, use of electronic infrastructure, marketing and timely information dissemination, including sensitization of small industries to the emerging challenges of trade liberalization.

Further, Government is absolutely determined to ensure through appropriate use of the tariff and other mechanisms that imports do not cause any serious detriment or injury to the domestic industry due to import restrictions removal. Towards that end, Government has increased duties on a numbers of items where a surge in imports was noticed or apprehended.